DOCUMENT RESUME

ED 307 823 HE 022 181

TITLE	A Self-Instructional Course in Student Financial Aid Administration. Module 1--Student Financial Aid Administration: Course Study Guide & Introduction to the Field. Second Edition.
INSTITUTION	Office of Student Financial Assistance (ED), Washington, DC.; Washington Consulting Group, Inc., Washington, DC.
PUB DATE	20 Aug 88
NOTE	38p.; For related documents, see HE 022 182-198.
PUB TYPE	Guides - Non-Classroom Use (055) -- Tests/Evaluation Instruments (160)
EDRS PRICE	MF01/PC02 Plus Postage.
DESCRIPTORS	Administrator Responsibility; *Administrator Role; Educational Finance; *Federal Aid; Federal Government; Federal Programs; Financial Support; Higher Education; Office Management; *Program Administration; Programed Instructional Materials; *Student Financial Aid; *Student Financial Aid Officers
IDENTIFIERS	Department of Education; Higher Education Act Title IV; Paying For College

ABSTRACT

The first of a 17-module self-instructional course, this module provides neophyte financial aid administrators and other instructional personnel with a systematic introduction to the management of federal financial aid programs authorized by Title IV of the Higher Education Act. It is an introductory course that presents the major responsibilities that financial aid administrators have in common with one another. Its objectives are to describe the roles and responsibilities involved in administering financial aid by understanding the institution's and financial aid administrator's specific roles in the responsible management of Title IV funds, recognize personal skills and resources needed in successful financial aid administration, and identify standard organizational tools to manage the multiple demands found in financial aid administration. A guide to using these materials is provided along with a pre-test, a post-test, a glossary, and a chart for tracking progress through the course. Module 1 focuses on: major areas of responsibility (recognizing differences); views of roles (the institution's view, the Department of Education's view, the student's view); multiple demands (time factors, staying up-to-date, accessibility); balancing multiple demands (time management, a policy and procedures guide, communication); personal characteristics and skills (outlook, skills); and outside resources. Contains two references. (SM)

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A Self-Instructional Course in Student Financial Aid Administration

An Introduction and Guide to the Administration of Federal Title IV Student Financial Aid Programs

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HE 023181

A Self-Instructional Course in Student Financial Aid Administration

United States Department of Education
Office of Student Financial Assistance

Student Financial Aid Administration: Course Study Guide & Introduction to the Field

1

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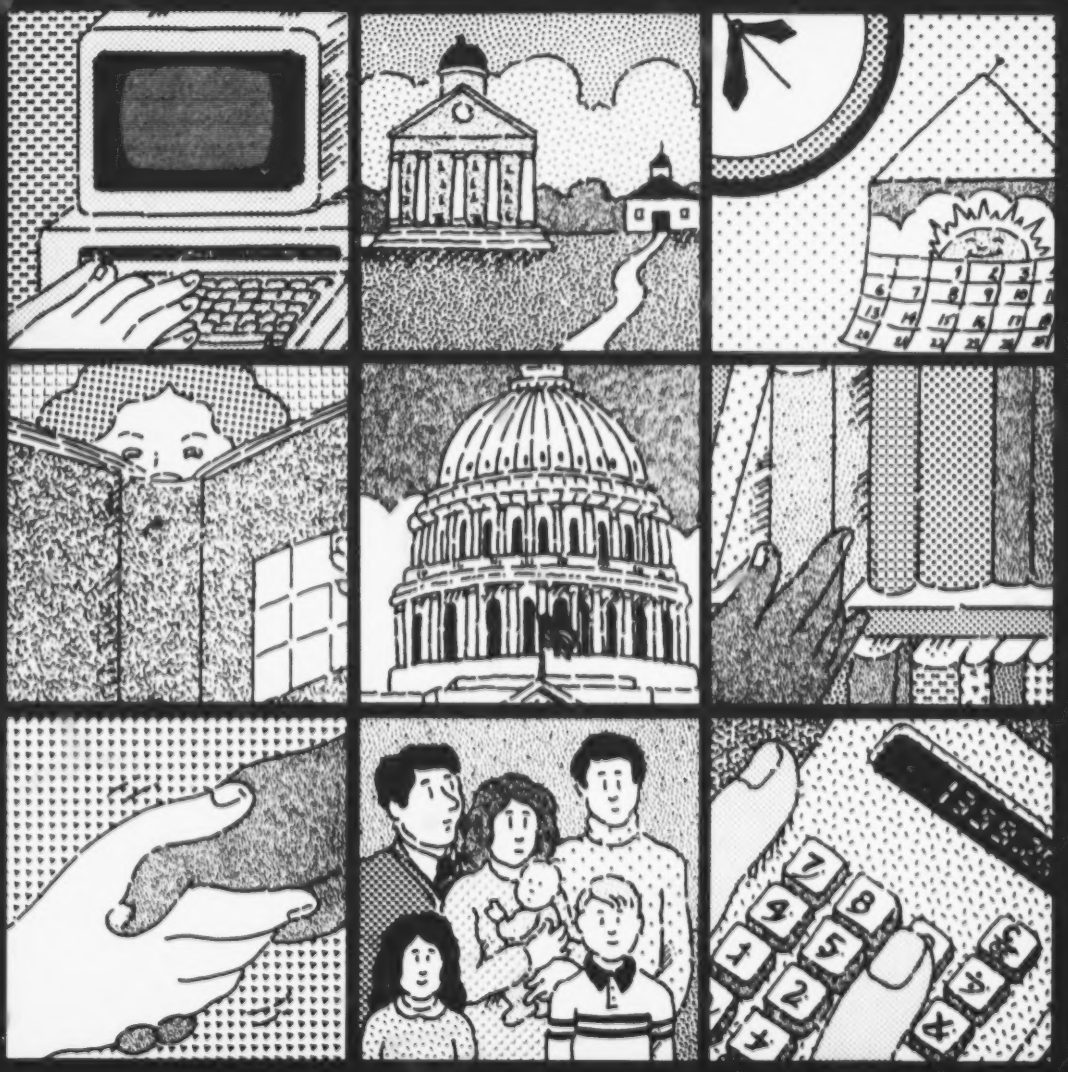

A Self-Instructional Course in Student Financial Aid Administration

United States Department of Education Office of Student Financial Assistance

This publication is one component of *A Self-Instructional Course in Student Financial Aid Administration*. This Second Edition of the course consists of the following modules:

1. Student Financial Aid Administration: Course Study Guide and Introduction to the Field
2. Federal Student Financial Aid: History and Current Sources
3. The Legislative and Regulatory Processes
4. Roles and Responsibilities of the Financial Aid Office
5. Title IV Institutional and Program Eligibility
6. General Student Eligibility
7. Calculating Cost of Attendance
8. Need Analysis
9. Award Packaging
10. The Pell Grant Program
11. The Stafford Loan, SLS, and PLUS Programs
12. Campus-Based Programs: SEOG, CWS, and Perkins Loan
13. Verification
14. Authorization, Fiscal Operations, and Reporting
15. Internal Aid Office Management and Institutional Quality Control
16. Forms and Publications
17. Evaluation of Student Aid Management: Self-Evaluation, Audit, and Program Review

The course includes a Support Booklet with the complete course glossary, acronyms, key resources, bibliography, and index, as well as addresses of publishers mentioned in the course. The Support Booklet also offers guidelines for further study.

UNITED STATES DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202

October 1988

Dear Colleague:

We are pleased to present the Second Edition of A Self-Instructional Course in Student Financial Aid Administration. This updated version of the course originally published in 1986 incorporates provisions of the Higher Education Amendments of 1986, with 1987 Technical Amendments and subsequent amendments.

The purpose of the course remains the same. It is designed to provide neophyte financial aid administrators (those with two years or less experience in student aid) and other institutional personnel with a systematic introduction to management of federal financial aid programs authorized by Title IV of the Higher Education Act. Students of the course will gain a fundamental understanding of the roles and responsibilities of participating institutions and of student aid administrators. On completion of the course, they will be prepared to expand this knowledge with the use of training and reference materials, on-site training opportunities, and contacts with other members of the profession.

The materials were revised under a contract with the Washington Consulting Group. The text was reviewed for technical accuracy by many staff members of the Office of Student Financial Assistance (OSFA). Special acknowledgement is due to both project staff and OSFA specialists for accomplishing very wide-ranging modifications of the text during a period when much legislative and regulatory activity affecting student aid was in progress.

Your comments and suggestions regarding any aspect of the materials are welcome. OSFA is particularly interested in learning 1) the level of experience and job responsibilities of personnel at your institution using the modules; 2) the purposes for which they are being used (for example, self-study, training new staff, reference); and 3) whether you feel that this publication is among those that OSFA should continue to update and disseminate annually. You may send your comments to the Training Branch, OSFA/ED, 400 Maryland Avenue S.W., Washington, D.C. 20202.

Sincerely,

Dewey L. Newman
Deputy Assistant Secretary for
Student Financial Assistance

Daniel R. Lau
Director, Student Financial
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Enclosure

The following non-OSFA participants contributed to the development of this Second Edition of the course:

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☆ U.S. GOVERNMENT PRINTING OFFICE : 1988 O - 222-546 (Book #1)

MODULE 1

STUDENT FINANCIAL AID ADMINISTRATION: COURSE STUDY GUIDE AND INTRODUCTION TO THE FIELD

The technical information in this module is based on laws, regulations, policies, and procedures in effect as of:

August 20, 1988

This is one component of *A Self-Instructional Course in Student Financial Aid Administration.* This Second Edition of the course has been prepared by The Washington Consulting Group, Inc., under a contract with the U.S. Department of Education.

The course consists of 17 modules and a support booklet. It provides an introduction and guide to the administration of student financial aid programs authorized under Title IV of the Higher Education Act of 1965, as amended. The titles of the modules are listed on the inside front cover of this publication.

Institutions may freely reproduce the course for their own use. For more information on the course, contact one of the Department of Education offices listed on the inside back cover of this publication.

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Bibliography Covers publications that you should be aware of but will not routinely need in program administration.

Appendix Included where appropriate. An appendix gives more detailed information on specific topics mentioned in the text.

Index Lists terms and concepts used in the module.

1.1 RECOMMENDED LEARNING PATHS AND PROCEDURES

The modules are arranged in a specific order intended for sequential learning. The design is based on the premise that most users will study the modules in numerical order. You will be provided with a glossary of terms, references, examples, and test questions to help you to grasp the material presented in the text. In many cases, however, the text also assumes that you have read and understood concepts presented in earlier modules--topics cannot be completely isolated from one another.

Review the module titles. You will notice that the first five modules present background information, the functions and responsibilities of the aid office, and the means through which institutions participate in financial aid programs.

The next four modules give instruction in Title IV student eligibility and the systems currently used to determine awards. We want you to have an understanding of these basic principles before we cover the specific requirements of each program.

Following the description of the award process, three modules examine the individual Title IV programs. Each program has eligibility criteria beyond the general eligibility requirements. Additionally, each program has particular management requirements which are described in these individual modules.

Following discussions of the specific Title IV programs, there is a series of modules concerned with the overall coordination of programs. These place emphasis on the coordinating and management functions of the financial aid administrator.

Course Sequence

Background:

1. Student Financial Aid Administration: Course Study Guide & Introduction to the Field
2. Federal Student Financial Aid: History & Current Sources
3. The Legislative & Regulatory Processes
4. Roles & Responsibilities of the Financial Aid Office
5. Title IV Institutional & Program Eligibility

Basic Concepts:

6. General Student Eligibility
7. Calculating Cost of Attendance
8. Need Analysis
9. Award Packaging

Programs:

10. The Pell Grant Program
11. The Stafford* Loan, SLS, & PLUS Programs
12. Campus-Based Programs: SEOG, CWS, & Perkins Loan (formerly the NDSL program)

Management:

13. Verification
14. Authorization, Fiscal Operations, & Reporting
15. Internal Aid Office Management & Institutional Quality Control
16. Forms & Publications

Evaluation:

17. Evaluation of Student Aid Management: Self-Evaluation, Audit, & Program Review

*The Stafford Loan program was formerly called the Guaranteed Student Loan (GSL) program.

HOW TO USE THESE MATERIALS

These self-instructional training materials are divided into modules or units. Each module is designed to cover a concept, a specific program, or a series of related procedures in the delivery of Title IV student financial aid.

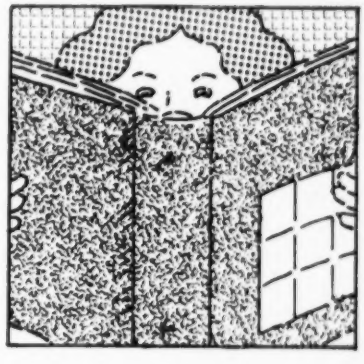
Generally, modules contain the following sections:

Objectives Lists the major points covered in the modules and the skills to be mastered.

Introduction Provides an overview of the module and lists other modules with closely related material.

Pre-Test Checks your level of understanding before you read the module. Answers to the pre-test questions follow the test, with references to the sections of the text which address the topics.

Text Includes narrative, examples, and case studies. Not all modules contain examples and case studies. They are included, where appropriate, to reinforce the text. Marginal notes are placed adjacent to the text to give added instruction and to emphasize major points.



Case Studies Offers examples and exercises to illustrate the concepts discussed in the text.

Summary Restates the main points of the module.

Post-Test Checks your level of understanding after you complete the unit. Answers and detailed explanations are provided, with references to the sections of the text which address the topics.

Glossary and Acronyms Defines terms central to the module. Includes a list of common acronyms and the terms they stand for.

Key Resources Describes publications that are essential tools for the financial aid administrator.

MODULE 1

STUDENT FINANCIAL AID ADMINISTRATION: COURSE STUDY GUIDE AND INTRODUCTION TO THE FIELD

❑ INTRODUCTION

Welcome to student financial aid!

This is the second edition of this self-study course. These materials were developed primarily for newcomers to the profession, often called neophytes. Neophytes are classified here as financial aid administrators who have been in the field 2 years or less. However, since this edition presents provisions of the Higher Education Amendments of 1986, as amended by the Technical Amendments of 1987, "veteran" financial aid administrators may also refer to this publication as they implement new policies and procedures mandated by the law and federal Title IV regulations.

We realize that the level of understanding you bring to the course will depend not only upon the time you have spent in the financial aid profession, but also on the particular aid programs in which your institution participates. Readers will also represent institutions differing in size, mission, academic calendar, and admissions policy.

Some parts of the course should be useful to a broader group of readers. In addition to personnel whose primary job is managing student financial assistance, business officers or other administrators at your institution may find certain modules helpful in gaining a better understanding of financial aid.

Whatever your background or reason for using these materials, please note that this first module will provide you with an introduction to the field and a learning guide on how to approach the materials that follow. The course will provide a basic knowledge of concepts and administrative procedures in administering federal Title IV student financial aid programs, authorized under the Higher Education Act of 1965, as amended. The course materials will also provide some familiarity with other types of student aid programs.

We must emphasize, however, that this is an introductory course. It cannot cover every topic in full detail, nor provide examples and case studies covering every situation. That is the reason for the Guidelines For Further Study section in the Support Booklet. When you finish this course, those guidelines will point the way to *expanding* your knowledge and abilities in the highly technical and complex field of student financial aid.

❑ LEARNING OBJECTIVES

After completing this module, you will be able to describe the roles and responsibilities involved in administering financial aid. In particular, you will be able to:

- ✧ understand your institution's role in the effective and responsible management of Title IV funds;
- ✧ recognize the financial aid administrator's specific areas of responsibility in management of the Title IV programs;
- ✧ describe the role of the financial aid administrator from the point of view of the institution, governmental agencies, students, and parents;
- ✧ understand the multiple demands and responsibilities of the financial aid administrator's work;
- ✧ identify standard organizational tools to manage the multiple demands found in financial aid administration; and
- ✧ recognize personal skills and resources needed in successful financial aid administration.

A final module is concerned with the evaluation requirements of audits and program reviews conducted by the Department of Education and other evaluators.

Although all of these materials are developed primarily for the new financial aid administrator, module sequences suggested below will be valuable to business officers, other administrative personnel, or financial aid administrators who need training or review in specific areas.

✦ **Neophyte Aid Administrators:** We recommend completing the full sequence of modules in the order presented.

✦ **Neophyte Aid Directors and Assistant Directors:** Some financial aid staff directors and assistant directors may have less than 2 years' experience in a financial aid office. In a one-person office, for example, a new aid director may be a neophyte in the field of student financial aid. Other new directors and assistant directors may not have a background of responsibility for all aid matters. We recommend the full sequence of modules with special attention to Modules 2, 3, 5, 13, 14, 15, and 17.

✦ **Business Officers:** Complete Modules 5, 14, 15, and 17 in full. This sequence introduces the roles and responsibilities of the aid office and clarifies the required separation of functions between business and financial aid offices. The sequence then gives training in program authorization, reporting, and audits. These are areas of direct business office involvement and shared responsibility. In addition, you should read the following sections which discuss disbursement of program funds: Module 10, Disbursement Procedures; Module 11 (Section 11.6); and Module 12 (Sections 12.5, 12.11, and 12.15).

✦ **Aid Administrators Whose Institutions Have Limited Participation in Title IV Programs:** If your institution does not participate in all of the Title IV programs, you may complete the series by including only those program modules which apply to your institution's specific involvement in Title IV programs. If your institution participates in either the Stafford Loan/SLS/PLUS programs or the Pell Grant program only, you will not

Learning Paths

✦ *If you are a new aid administrator, all modules are recommended.*

✦ *If you are new & will manage the financial aid office, read the whole course, paying special attention to these modules:*

2. Federal Student Financial Aid: History & Current Sources
3. The Legislative & Regulatory Processes
5. Title IV Institutional & Program Eligibility
13. Verification
14. Authorization, Fiscal Operations, & Reporting
15. Internal Aid Office Management & Institutional Quality Control
17. Evaluation of Student Aid Management: Self-Evaluation, Audit, & Program Review

✦ *If you are a business officer, read these modules:*

5. Title IV Institutional & Program Eligibility
10. The Pell Grant Program--Disbursement Procedures
11. The Stafford Loan, SLS, & PLUS Programs--Section 11.6
12. Campus-Based Programs: SEOG, CWS, & Perkins Loan--Sections 12.5,12.11, & 12.15
14. Authorization, Fiscal Operations, & Reporting
15. Internal Aid Office Management & Institutional Quality Control
17. Evaluation of Student Aid Management: Self-Evaluation, Audit, & Program Review

need to complete Module 9, Award Packaging. However, you may find it advantageous to complete all of the modules in order to obtain a more comprehensive understanding of the Title IV programs.

✦ **Other Administrative Personnel within the Institution:** An understanding of financial aid is essential to administrators outside the aid office. The federal regulations, required procedures, timing of appropriations, and emphasis on quality control have a significant impact on a school's operations.

Decision-makers in institutions are sometimes unaware of the far-reaching impact these factors may have. Matters that are initially concerns of a curriculum planning committee or the admissions, publications, or business office may in fact be affected by financial aid regulations and should be shared concerns. Decisions made without a complete understanding of financial aid requirements could affect the institution's compliance with regulations or decrease the number of students eligible for aid.

Therefore, decision-makers such as the institution's chief executive officer, dean(s), or director of admissions would benefit from reading Modules 1, 3, 4, 5, 6, 9, 14, 15, and 17, in the order of presentation.

✦ If you are an institutional administrator seeking an overview of financial aid, read these modules:

1. Student Financial Aid Administration: Course Study Guide & Introduction to the Field
3. The Legislative & Regulatory Processes
4. Roles & Responsibilities of the Financial Aid Office
5. Title IV Institutional & Program Eligibility
6. General Student Eligibility
9. Award Packaging
14. Authorization, Fiscal Operations, & Reporting
15. Internal Aid Office Management & Institutional Quality Control
17. Evaluation of Student Aid Management: Self-Evaluation, Audit, & Program Review

Preparing to Use the Course

Your institution will receive only one copy of the course. Before beginning to use the materials, make as many copies of the course as you will need. *Put the clean master copy away in a safe place so that you can make more copies when necessary. Do not write on the master copy.*

Keeping Track of Your Progress

Whether you study the complete course or take one of the individualized learning paths described above, you may wish to keep a record of your progress through the course. A course tracking chart is provided for this purpose in the appendix.

Using the Tests

The *pre-tests* are designed to be used both by neophytes and by more experienced individuals seeking a rapid review or refresher course. When checking your answers

All tests are arranged so that the last page of test questions is a right-hand page; to see the answers, the learner must turn the page. To achieve this arrangement, it has sometimes been necessary to insert a blank page before the test.

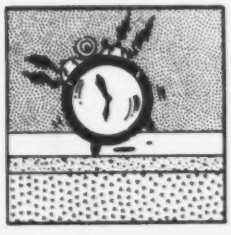
on the pre-test answer page, you will find references to sections where relevant information is located. These "quick access" references are intended only for rapid review or refresher purposes. Neophytes should disregard these references and study the entire module.

The *post-tests* can be used either by neophytes who have studied the entire module or by more experienced individuals who have rapidly reviewed the materials. The answers here are more extensive. They may include further information on correct choices, explanations of why other choices are not correct, and detailed examples. The section references here should be helpful to neophytes and more experienced users.

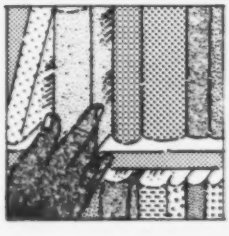
Margin Symbols

Throughout these materials, certain symbols will be used in the margin. When you see these small marginal illustrations, please note that they will include important references or will alert you to other essential information.

Arrow: Important related information may be found in another module.



Alarm Bell: Be alert to an important procedural step or fundamental financial aid concept.



Bookshelf: Be sure to use the reference materials mentioned.

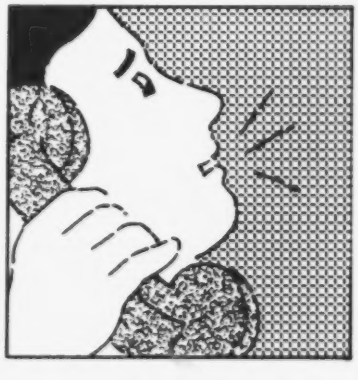
An Important Word of Caution

Considerable care, testing, and review have gone into the preparation of these materials. They are presented as an introduction to the field of Title IV financial aid administration. They are ***not*** the official, final word on federal law or regulations. For correct Title IV financial aid management, you must consult the authorizing legislation, the regulations in the *Federal Register*, the *Federal Student Financial Aid Handbook*, and other official materials from the U.S. Department of Education.

This is the second edition of the course. The modules have been updated to reflect changes mandated by the Higher Education Amendments of 1986, as amended by the Technical Amendments of 1987 and subsequent regulations or legislation. The information in these revised modules is accurate as of August 20, 1988. Please be aware that changes in the law, regulations, and procedures will continue to occur. These course materials are as accurate as possible at the time of preparation. However, it is important for you to use sources of information described in this course to stay abreast of current regulations and requirements in student financial aid administration.

The Regional Offices of Education:
An Available Resource

As you work through these modules, you may have questions that are not answered by the text or the reference materials. Or, you may want to check the accuracy of your understanding of a concept or of the implications of a requirement for your institution. Staff members at the Regional Office of Education serving your state are available to answer your questions and discuss the issues with you. The inside back cover of each module lists the addresses and telephone numbers of the Regional Offices of Education.



PRE-TEST

1. Which of the following resources promote an aid administrator's success in the financial aid field? (circle all that apply)

   a. financial aid publications
   b. *Current Title IV Federal Regulations*
   c. a network of financial aid colleagues
   d. professional associations
   e. Department of Education central and regional offices of student financial aid

2. The Department of Education, the institution, and the student may hold different perceptions of the roles and responsibilities of an aid office. True or False?

3. Which of the following are services offered to students by a financial aid administrator? (circle all that apply)

   a. counseling on debt management
   b. disbursing Title IV funds
   c. providing information on application procedures and policies regarding financial aid
   d. providing information on sources of financial aid

4. Major areas of responsibility for a financial aid administrator may be: (circle all that apply)

   a. monitoring the consistency of information
   b. conducting exit interviews for student borrowers under the Perkins and Stafford Loan programs
   c. assessing students' financial need
   d. counseling students on financial management of their education
   e. managing funds

5. The financial aid office authorizes disbursement of student aid funds and issues payments to the student. True or False?

6. Identify three time management techniques a financial aid administrator can use to make more efficient use of time.

   a. develop a calendar of planned financial aid activities
   b. consider requiring appointments and deadlines
   c. limit the number of students' corrections to inaccurate applications
   d. schedule work by priorities

ANSWERS

1. a., b., c., d., and e. (1.7)*
2. True. (1.3)
3. a., c., and d. (1.2, 1.3.3)
4. a., b., c., d., and e. (1.2)
5. False. (1.2)
6. a., b., and d. (1.2, 1.5.1)

*For quick access to information on this question, see this section.

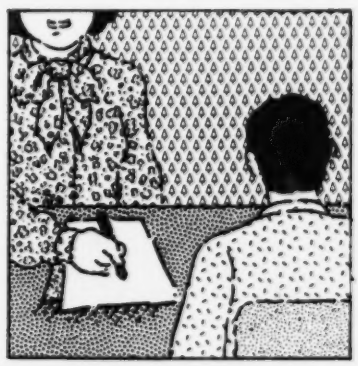
Questions: 6 Your Score: _____ Percentage: _____

1.2 MAJOR AREAS OF RESPONSIBILITY

A common sense of purpose underlies the field of student financial aid, despite great variations among postsecondary institutions. Financial aid provides a service to students and institutions--it promotes access to higher education or advanced training in a fair and equitable manner.

Financial aid responsibilities form a complex network of roles and functions. They require coordination among several offices in an institution. Although we have devoted a module to that topic (Module 4), we will introduce some responsibilities here and take this opportunity to look at aid administration from several different perspectives.

Aid administrators regularly:



counsel on sources of aid, application procedures, eligibility, methods of awarding aid, student rights and responsibilities, loan repayment and deferment provisions, and financial management for education (Modules 4 and 16).

verify applicant data (Module 13).

assess need for the Pell Grant and campus-based financial aid programs and Stafford Loans using statutory formulas in accordance with Title IV regulations (Modules 7 and 8).

determine and monitor eligibility according to federal regulations and institutionally developed policies (Module 6).

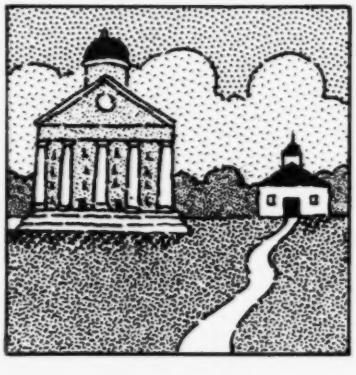
award aid applying established policies and procedures (Module 9), in accordance with the regulations that apply to each program (Modules 10, 11, and 12), and within amounts authorized (Module 14). Aid administrators authorize awards to students but do *not* issue disbursements of

	Title IV funds. Disbursement is the responsibility of the business office staff.
develop procedures	to manage records within the office and to coordinate information needs among other offices (Module 15).
prepare budgets	for annual allocations of campus-based program funds (Module 12).
report	the use of funds and other related information to funding agencies (Module 14).
ensure quality	by monitoring the accuracy and consistency of data used in awarding and reporting, and by performing ongoing evaluations and audits (Modules 15 and 17).

These responsibilities demand clear lines of communication and effective procedures. Accuracy, consistency of information, and quality control are of primary importance in the administration of financial aid programs at institutions.

1.2.1 Recognizing Differences

We recognized earlier that our readers will have varied job descriptions. The aid administrator's responsibilities will depend on the specific Title IV programs in which the institution participates and will be further determined by the size and characteristics of the school.



Full participation in all Title IV programs (the Pell Grant, campus-based, Stafford Loan, SLS, and PLUS programs) demands management of a broad range of administrative requirements. Administrative duties may not be as extensive if the institution is approved for participation in fewer programs, or in the Stafford Loan, SLS, and PLUS programs only.

Some aid administrators are members of a large aid office staff, while others are an "office of one." Large offices at schools which participate in several or all programs often establish separate job responsibilities. They may divide the workload by program area (Pell Grant, College Work-Study, and loan departments) and by processing function (application processing, data entry, etc.). This kind of large-office setting demands, above all, coordination of activities and a well-designed communication system.

Covering the field:
- public
- private
- degree granting
- certificate
- 4 year, 2 year, 1 year, 6 month
- clock hour
- credit hour

Small offices, especially those administering several programs, may have a special need for effective time management. In small institutions needing to cover many bases with few staff members, the financial aid administrator may be given additional responsibilities. Other duties of the aid administrator must not be allowed to jeopardize the proper administration of financial aid.

1.3 VIEWS OF YOUR ROLE

Whatever the size or organizational structure of your office, your role as a financial aid administrator will be seen by others from several different viewpoints. Three important perspectives will be those of your institution, the Department of Education (ED), and your students.

Differing viewpoints and shared concerns . . .

1.3.1 Your Institution's View

As an employee of your institution, you are accountable to it for the management of all student financial aid, with a special emphasis on the following:

access The admissions office and financial aid office are the initial contacts for many students. Access to postsecondary education often means admissions and financial aid counseling. Your institution depends on your services to make its programs available to eligible students through timely and adequate financial assistance.

Your contribution--supporting access t education.

coordination Effective communication with other offices is required for the timely and accurate exchange of information needed to process applications and make payments.

liability Institutions participating in federal student assistance programs are held responsible for certain administrative functions--mistakes or improper action can result in "institutional liabilities" (financial penalties and repayments that must be paid to ED) or termination from the Title IV financial aid programs. To avoid such liabilities, the financial aid administrator must comply with federal regulations and

Your work--conscientious, demanding crucial.

requirements for the use of Title IV program funds. Proper coordination between the financial aid office and other offices that carry out any financial aid administrative functions is important in avoiding problems of institutional liability.

planning Accuracy and timeliness require planning. This means making plans for the effective administration of the award year or program cycle. It includes planned training, processing, budgeting, cash management, and more.

1.3.2 The Department of Education's View

As in many other professions, your employer is not the only authority to whom you are responsible--financial aid involves additional evaluators. The Department of Education, as the source or awarding authority of Title IV funding, sets forth a framework in which to work and issues regulations to follow. The federal role has two sides, one to train and offer technical assistance, and the other to ensure compliance with the federal laws and regulations governing the programs.

ED will evaluate:

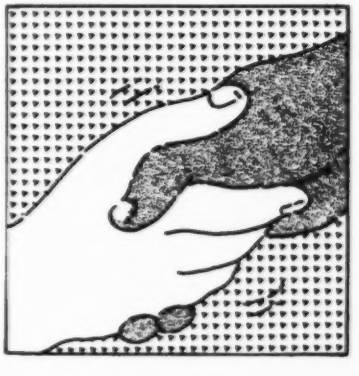
- your data management systems, checking for consistency of information shared among offices
- your procedures for verifying the accuracy of applicant data
- your recordkeeping and compliance with reporting requirements

ED will also assess:

- your monitoring of student eligibility
- the development and implementation of institutional policies

ED will review your effectiveness in:

- administering your overall program
- meeting your responsibilities to the student



State authorities may also evaluate your operation if state funds have been delivered to students, as may the Veterans Administration and other awarding authorities.

1.3.3 The Students' View

Students have yet another view of you and also have needs to be met. In their eyes, you perform a student service as a source of information, counseling, and funding. They are often unaware of all the factors that affect their receipt of financial aid--including specified formulas to calculate need, choices they have made regarding programs and enrollment status, and limits on specific sources of aid. Students may not realize that you operate under a number of federal, state, and institutional constraints or restrictions.

1.4 MULTIPLE DEMANDS

Multiple demands:
- time factors
- speed and accuracy
- change
- accessibility

The different views of your function--from the standpoint of students, institutional administrators, and the Department of Education--will create multiple demands on your time and resources. To students, you must be a source of information and counseling. This requires an office with convenient hours and an accessible, welcoming staff with good interpersonal skills. While maintaining this accessibility, you will also perform calculations and other procedures requiring attention to detail and accuracy. Recordkeeping and monitoring of the financial aid programs at your institution call for continual attention and care.

You may also be asked to serve on various institutional committees dealing with program and policy issues. It is crucial to be involved, as a key administrator at the school, in issues relating to admissions, development, and academic programs. These multiple demands call for great flexibility on your part.

1.4.1 Time Factors

There never seems to be enough time! You need time for processing, time for corrections, time for each facet of the process--and it must all be done in time for the next enrollment period. Many people feel that speed and

accuracy do not complement one another. However, you will be asked to provide both!

1.4.2 Staying Up-to-Date

Financial aid regulations change, requiring changes in policies and procedures. As the administration of Title IV financial aid depends upon the most recent regulations, it is essential to stay current. You must be alert to the possibility of required procedural changes and must keep informed by reading all financial aid material sent to you by the Department of Education. You will also need to help those around you--both co-workers in the financial aid office and others at the institution--to stay current.

1.4.3 Accessibility

Your institution and its students will want you to be available for public contact as much as possible. To provide a service to students and parents, you and your co-workers must be available for drop-in or scheduled visits at convenient hours. However, to handle the amount of reading, calculating, and writing required, you will need a balance of public and private time.

1.5 BALANCING MULTIPLE DEMANDS

1.5.1 Time Management

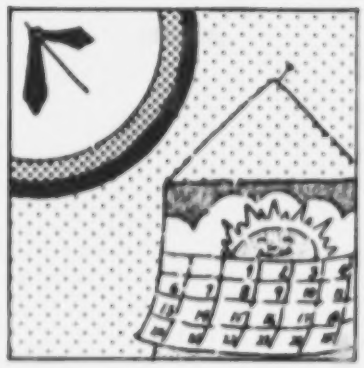
Balancing demands:
- time management
- effective communication
- policy and procedures guide

We have mentioned that achieving both speed and accuracy presents a challenge. Several practices can help you manage your time. Careful consideration of your answers to the following questions will help you plan your time and priorities:

- ✧ Does your institution have one or two major start dates, or multiple ones? In other words, is there a cycle to your work as in a traditional, term-based school, or do you have programs starting throughout the year?
- ✧ Do you share your responsibilities, or does your institution depend on you alone to perform certain financial aid functions?
- ✧ Is your institution attempting to increase enrollment?

- ❖ Are you in a small or large office?
- ❖ Do you share an office?
- ❖ Must you answer all incoming calls and type your own correspondence?

Requiring scheduled interviews and establishing deadlines may help. However, if enrollment depends upon constant access to your office or a continuous application process, scheduling and deadline policies may need very careful implementation tailored to your institution's operations.



A calendar of planned financial aid activity will be valuable and may be tied to the Department of Education's master calendar. The master calendar sets deadlines by which ED will complete the major tasks associated with its administration of Title IV programs, including development and distribution of forms and allocation of funds. Module 15, Internal Aid Office Management and Institutional Quality Control, will show you a sample aid office operations calendar. This calendar revolves around monthly activity requirements. You may plan certain activities, such as staff meetings, as a regular item on a weekly schedule.

No matter how busy your office, it is important to schedule priorities and arrange a part of your day or week for quiet study, detailed analysis, or planning. Most time management models call for making lists and scheduling by order of importance. These practices are especially important in a financial aid office.

1.5.2 A Policy and Procedures Guide

Another organizational tool that is vital in aid office management is a policy and procedures guide. This guide should be a ready reference to provide continuity in the performance of tasks and to assure that established operating procedures will be followed. Module 16, Forms and Publications, will discuss development of this manual.

1.5.3 Communication

How do financial aid administrators communicate information and issues to other institutional personnel and offices affected by them? Within the institution, staff meetings, inter-office training sessions, reports, and

memos are essential. Statistics gathered for the Department of Education, such as the income levels of aid recipients and the number of applicants, are often valuable on campus when incorporated in reports to the institution's other administrative offices.

Such communication keeps the admissions office and the chief executive officer of the institution informed about relevant characteristics of the student population and the volume of work handled by the aid office. If student aid management staff are overworked, program administration may suffer. You should explore all sources of financial aid that may be available to your students. Similarly, financial aid personnel need to receive information regularly from other offices on matters affecting student aid management.

1.6 PERSONAL CHARACTERISTICS AND SKILLS

1.6.1 Outlook

Financial aid administrators must recognize that they are the trustees of federal and other funds. As such, they must be responsible individuals capable of maintaining the integrity of the aid programs.

1.6.2 Skills

Making the most of what you have to offer: professional skills.

Just as attitudes are important, so are certain skills. A financial aid administrator must be a good organizer and manager, must have oral and written communication skills, and must enjoy working with the public. In many financial aid jobs, the administrator needs strong skills in handling mathematical computations and budgets with speed and accuracy.

1.7 OUTSIDE RESOURCES

Drawing upon resources:
- ED
- state agencies
- publications
- professional associations
- colleagues

In addition to these personal characteristics, there are other resources that are considered essential to success in the field. These are covered more extensively in Module 4, Roles and Responsibilities of the Financial Aid Office.

Vital resources include:

Department of Education (ED)	The regional and central offices of student financial assistance within ED support the delivery of federal aid to students. ED provides regulations, written materials, training, and guidance.
State Agencies	State offices responsible for a state's grant or loan programs have established rules and services similar to those provided by federal departments.
Publications	In addition to federal regulations which come to you from ED, there are many publications and newsletters from ED and other sources which are available to help you. Publications and other materials relating to current issues keep you in touch and alert to new regulations and their implementation.
Professional Associations and Colleagues	Professional associations--state, regional, and national--provide a wealth of information through publications and training, and offer personal contacts from which to develop a network of people who share your concerns. Many of the state associations have developed "hot line" systems to help provide immediate answers to your questions and to give you professional support in the areas of student financial aid policies and procedures.

SUMMARY

This module presents the major responsibilities that financial aid administrators have in common with one another. Although institutions differ in size and participation in Title IV programs, financial aid administrators will be responsible for:

- counseling students;
- verifying applicant data;
- determining awards;
- monitoring student eligibility;
- conducting exit interviews for student borrowers under the Perkins Loan, Stafford Loan, and SLS programs;
- establishing internal lines of communication between the departments in the institution which provide support services in the administration of federal financial aid; and
- reporting the use of financial aid to the Department of Education.

The financial aid administrator's role within the institution can be seen from three separate viewpoints--that of the institution itself, the Department of Education, and the student. These viewpoints often differ in the emphasis they place on the various responsibilities, and they create multiple demands.

The aid administrator must be accessible to students and families, but must also allot time to perform calculations and other tasks that require careful attention to detail and accuracy. To ensure accuracy and quality in the services provided, the financial aid office develops procedures, effective plans, time management techniques, and communication with other offices in the institution.

The modules that follow include discussions of all major responsibilities. They have been sequenced by topic--background, basic concepts, programs, management, and evaluation of student financial aid.

POST-TEST

1. Major areas of responsibility for a financial aid administrator may be: (circle all that apply)

   a. assessing students' financial need
   b. managing funds
   c. monitoring the consistency of information
   d. counseling students on financial management of their education
   e. conducting exit interviews for student borrowers under the Perkins and Stafford Loan programs

2. The Department of Education, the institution, and the student may hold different perceptions of the roles and responsibilities of an aid office. True or False?

3. The financial aid office authorizes disbursement of student aid funds and issues payments to the student. True or False?

4. Which of the following are services offered to students by a financial aid administrator? (circle all that apply)

   a. providing information on sources of financial aid
   b. counseling on debt management
   c. providing information on application procedures and policies regarding financial aid
   d. disbursing Title IV funds

5. Identify three time management techniques a financial aid administrator can use to make more efficient use of time.

   a. consider requiring appointments and deadlines
   b. develop a calendar of planned financial aid activities
   c. schedule work by priorities
   d. limit the number of students' corrections to inaccurate applications

6. Which of the following resources promote an aid administrator's success in the financial aid field? (circle all that apply)

   a. a network of financial aid colleagues
   b. professional associations
   c. Department of Education central and regional offices of student financial aid
   d. *Current Title IV Federal Regulations*
   e. financial aid publications

ANSWERS

1. a., b., c., d., and e. Standard responsibilities for financial aid administrators entail a complex network of roles and functions. Aid administrators regularly counsel students on sources of aid, application procedures, and financial management for education. They assess need through specific formulas and in accordance with prescribed regulations. They award program funds and report on the use of these funds. To ensure accuracy, consistency of data used in awarding and reporting must be monitored through regular evaluations and audits. (For more information, see Section 1.2.)

2. True. Each is inclined to have its own perspective, and to give differing weight to various areas of responsibility. While ED and the institution may understand each other's needs and expectations, students may be unaware of many factors affecting their financial aid. (1.3)

3. False. The Student Assistance General Provisions require that an institution divide "the functions of authorizing payments and disbursing funds so that no office has responsibility for both functions with respect to any particular student aided under the programs" [34 CFR 668.16 (d)(2)]. In other words, the financial aid office *cannot* award federal financial aid to students *and* handle the actual money transactions. The financial aid office notifies (or authorizes) the business office to pay the student or student's account. (1.2)

4. a., b., and c. In interacting with students, the financial aid administrator functions as a source of information and counseling on financial aid funding, policies, application procedures, and related matters. *Disbursement of funds is always handled by another office.* (1.2, 1.3.3)

5. a., b., and c. To make more efficient use of time, financial aid administrators may consider requiring appointments for interviews with students and deadlines for students completing various steps in the financial aid process. Aid administrators may also develop a calendar of financial aid activities and schedule work by priorities. Students will always be required to make as many corrections as are needed to application data; this step cannot be eliminated. (1.2, 1.5.1)

6. a., b., c., d., and e. All of the resources listed facilitate success in the field of student financial aid. Make use of them for information and peer support. (1.7)

Questions: 6 Your Score: Percentage:

GLOSSARY

award	(n.) A specific amount of financial assistance offered to a student through financial aid programs to pay for educational costs. (v.) To approve financial assistance to students. For example, one function of the aid office is to award campus-based financial aid to students showing documented financial need.
award year	The period of time between July 1 of one year and June 30 of the following calendar year.
campus-based programs	The term that is applied to three federal Title IV student aid programs administered by eligible institutions of postsecondary education. These programs are the Perkins Loan (formerly National Direct Student Loan), College Work-Study, and Supplemental Educational Opportunity Grant programs.
institutional liability	Financial penalties or repayment that must be paid to the Department of Education as a result of incorrect institutional action.
neophyte	In these materials, we use the term to refer to financial aid administrators whose experience is 2 years or less in the field.
postsecondary institution	An educational institution providing education beyond the high school level. The term is used to refer to trade and technical schools as well as colleges and universities.
quality control	A process by which the institution establishes a system for checking the overall quality and accuracy of its campus-wide student aid administration.
Title IV student financial aid	Federal student financial aid programs for students attending postsecondary institutions. These programs are authorized under Title IV of the Higher Education Act of 1965, as amended, and administered by the Department of Education. The programs include Pell Grants, Supplemental Educational Opportunity Grants, College Work-Study, Perkins Loans, Stafford Loans, SLS Loans, PLUS Loans, and State Student Incentive Grants.

ACRONYMS

CFR	Code of Federal Regulations.
ED	U.S. Department of Education. Formerly called the Office of Education, under the Department of Health, Education, and Welfare (DHEW). The Department of Education was established in 1980, and DHEW has been renamed the Department of Health and Human Services.

KEY RESOURCES

1. U.S. Department of Education, Office of Student Financial Assistance, *Current Title IV Regulations*, Washington, D.C., OSFA/ED, 1988.

   A compendium of federal regulations covering Title IV student assistance programs.

2. --------, *Federal Student Financial Aid Handbook*, Washington, D.C., OSFA/ED, 1988.

   The *Handbook* is intended to help postsecondary institutions administer the major federal student financial aid programs authorized under Title IV of the Higher Education Act of 1965, as amended. Detailed explanations of these programs are updated regularly. The *Handbook* should be used along with the authorizing statutes and the applicable program regulations.

The references listed above can be obtained by contacting the publishing organization. For U.S. Department of Education addresses, see the inside back cover or the Support Booklet.

APPENDIX

TRACKING YOUR PROGRESS THROUGH THE COURSE

This chart is provided for your convenience in tracking your work on the course. It will help you maintain an accurate record of your learning path and test scores.

MODULE STUDIED	DATE	PRE-TEST SCORE	POST-TEST SCORE

INDEX

B
business officer, modules to read 1.1

C
calendar of operations 1.5.1
changes in regulations 1.1, 1.4.2

D
disbursement
  involvement of financial aid administrator 1.2

L
learning paths 1.1

M
multiple demands in financial aid 1.4
  solutions to 1.5

P
personal characteristics of aid administrators 1.6
policies and procedures
  manual 1.5.2
professional resources 1.7

R
resources for financial aid administrators 1.7
responsibilities of financial aid administrators 1.2
roles of the aid administrator 1.3
  from the federal and state viewpoint 1.3.2
  from the institution's viewpoint 1.3.1
  from the students' viewpoint 1.3.3

S
skills of financial aid administrators 1.2, 1.6.2
student viewpoint on financial aid administrators
    1.3.3

T
time management 1.5.1
tracking sheet, progress in this course Appendix
training materials, use of 1.1

☆ U.S. GOVERNMENT PRINTING OFFICE : 1988 O - 222-546 (Book #2)

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Boston, Massachusetts 02109
(617) 223-9338

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